Ratings for SSI Units

2265. SHRI R. KAMARAJ: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the Reserve Bank of India had urged the banks to honour the ratings being assigned to Small Scale Industrial Units while disburing credit;

(b) if so, the details thereof; and

(c) whether it is also a fact that the ratings will infuse a sense of financial and operation discipline in the SSIs?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (c) As a good rating would enhance access of SSI units to quicker and cheaper credit, the rating exercise would infuse a sense of financial and operational discipline.

Excise Duty on candle manufacturing units

2266. SHRI S.P.M. SYED KHAN: Will the Ministry of FINANCE be pleased to state:

(a) whether it is fact that Government are levying 16 per cent excise duty on candle manufacturing units ignoring the welfare of hundreds of poor engaged in this industry and the fact that candles are consumed mostly by slum dwellers and for religious activities;

(b) if so, the details thereof;

(c) whether Government are considering to exempt candles from excise duty, at present;

(d) if so, the details thereof; and

(e) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) Candles attract excise duty @ 16%. However, excise duty exemption for Small Scale Industries (SSI) is available to candles.

(c) There is no proposal under consideration of the Government to exempt candles from excise duty.